Management System: Project Management

Subject Area: Critical Decision (CD) Management

Critical Decision 0, Approve Mission Need

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1.0 Applicability

This procedure applies to all Program Office staff seeking to document a mission requirement.

2.0 Required Procedure

A Mission Need Statement (MNS) documents a mission requirement the U.S. Department of Energy (DOE) cannot meet through nonmaterial means. It is the primary document supporting Critical Decision (CD) 0, Approve Mission Need. Mission needs are identified in terms of capability, not in terms of equipment, facility, or other solutions, and must support DOE's Strategic Plan and lower-level plans for each program. Approval of the mission need is the authorization to develop alternative concepts and functional requirements. A Mission Need Statement must be developed for projects having a Total Project Cost (TPC) greater than $10 million. Additional information regarding MNSs is available in DOE G 413.3-17, *Mission Need Statement*. Steps related to obtaining CD-0 are as follows:

Step 1	Determine the Critical Decision Approving Official
Step 2	Obtain Approval of the Mission Need Statement: • Go to Step 2.1 for Projects with a TPC greater than or equal to $100M. • Go to Step 2.2 for Projects with a TPC less than $100M.
Step 2.1 *Projects with a TPC*	a. Prepare the Mission Need Statement document. b. Submit the draft Mission Need Statement document for informal review by the Project Management (EM-10):

greater than or equal to $100M	i. Several months prior to the anticipated CD-0 [Energy Systems Acquisition Advisory Board (ESAAB)](#) Meeting, e-mail the draft Mission Need Statement to the EM-10 Representative for the Office of Environmental Management (EM). **NOTE:** EM-10 will review the Mission Need Statement. c. Resolve any comments received from EM-10. **NOTE:** EM-10 provides comments to the Program Office, as necessary, to develop a final MNS. d. Obtain Approval of the Mission Need Statement by the Director, Office of Environmental Management. The Program Associate Director forwards the Mission Need Statement to EM-10 for review. Approval by the Director is requested once EM-10 provides their recommendation memorandum. The Director, Office of Environmental Management, may sign the MNS after receiving the EM-10 recommendation memorandum. **NOTE:** The approval must include the following concurrence: o EM Program Manager o Program Associate Director o Deputy Assistant Secretary, EM-10 Office of Project Management o Director, EM Office of Budget o All usual Office of Environmental Management and Under Secretary concurrences **NOTE:** Approval of the Mission Need Statement does not represent approval of CD-0. f. Acquisition Executive authority for CD-0 approval is designated/delegated as follows for Major System projects and other projects where the Acquisition Executive authority cannot be delegated below the Program Secretarial Officer level. In those cases, the key elements of the approved Mission Need Statement are presented for CD-0 approval to: • To the Secretarial Acquisition Executive/Director of EM as part of the decision-making process.

	- To the Secretarial Acquisition Executive for projects with a TPC greater than or equal to $750M or greater. - The Under Secretary for projects with a TPC between $100 - $750 million - The PSO for projects with TPC less than $100 million. See DOE G 413.3-9 Project Review Guide for Capital Asset Projects for project review requirements at this CD and DOE G 413.3-12 Project Definition Rating Index Guide for Traditional Nuclear and Non-Nuclear Construction Projects for a project management tool designed to increase the likelihood of project success by improving project scope definition, specifically by identifying deficiencies in scope definition early during the front-end planning process.

Step 2.2
 Projects with a TPC less than $100M
	Obtain Approval of the Mission Need Statement:
	
	 a. Prepare the Mission Need Statement document and e-mail it for review by the Office of Project Management approximately three weeks prior to the anticipated CD-0 ESAAB Meeting.
	
	 NOTE: When the Mission Need Statement is submitted, please indicate the Program Manager or a point of contact for the MNS.
	
	 b. Resolve any comments received from the Office of Project Management. (The Office of Project Management provides comments to the Program Office.)
	 c. Submit a revised hard copy of the Mission Need Statement to the Office of Project Management for concurrence by the Deputy Assistant Secretary, EM-10. The Mission Need Statement may then continue through the concurrence/approval chain.
	 d. Obtain the following concurrence signatures for the Mission Need Statement:
	     o Program Manager
	     o Program Associate Director
	     o Deputy Assistant Secretary, Project Management (EM-10)
	     o Director, Office of Budget
	     o Approving Official (see Step 1 above)
	
	     NOTE: Approval of the Mission Need Statement does not represent approval of CD-0.
	
	 e. Acquisition Executive authority cannot be delegated below the Program Secretarial Officer level. Therefore, the approved Mission Need Statement is presented for CD-0 approval to:

	o The PSO for projects with a TPC less than $100M See [DOE G 413.3-9 Project Review Guide for Capital Asset Projects](#) for project review requirements at this CD and [DOE G 413.3-12 Project Definition Rating Index Guide for Traditional Nuclear and Non-Nuclear Construction Projects](#) for a project management tool designed to increase the likelihood of project success by improving project scope definition, specifically by identifying deficiencies in scope definition early during the front-end planning process.

Step 3	Execute the ESAAB CD-0 Approval Process.
	
	  • Refer to Steps 4 - 6 for Major Systems Projects CD Approval Process.
	  • Refer to Steps 7 - 9 for Non-Major Systems Projects CD Approval Process.
	
	    NOTE: Approval of the Mission Need Statement and the ESAAB CD-0 approval process are independent activities. Steps below refer to obtaining approval of CD-0 and usually occur after approval of the Mission Need Statement.

Step 4
Major Systems Projects
	Prepare for the Pre-ESAAB Meeting.
	
	  a. Upon receipt of the EM-10 recommendation memorandum, the Program Office requests that Office of Project Management schedule a Pre-ESAAB meeting (or ESAAB Readiness Review) with [DOE HQ Office of Engineering and Construction Management (OECM).](#)
	
	    NOTE: The Pre-ESAAB serves as a dry-run of the Secretarial Acquisition Executive ESAAB meeting with the Deputy Secretary of Energy. The purpose of the Pre-ESAAB meeting is to resolve comments and issues prior to the formal ESAAB meeting.
	
	  b. The Program Manager prepares a draft presentation and submits it to the Office of Project Management one week prior to the Pre-ESAAB meeting for dissemination to the Pre-ESAAB members. The Pre-ESAAB briefing is usually presented by the Program Associate Director or by the Program Manager.

Step 5 *Major Systems Projects*	Brief Senior Management: In parallel with scheduling a Pre-ESAAB meeting, the Program Office

	also schedules a meeting with the Under Secretary and/or the Director/Principal Deputy Director, and Office of Project Management.

NOTE: The purpose of this meeting is to brief senior-level management on the project's request for CD-0 and to determine the manager (the Under Secretary or the Director/Principal Deputy Director or the Program Associate Director) who will make the presentation at the Secretarial Acquisition Executive ESAAB meeting. The Program Office usually tries to schedule this briefing several days prior to the Pre-ESAAB meeting as a courtesy to senior management and to receive senior management's perspective/comments on the draft presentation. |
| **Step 6**
Major Systems Projects | Obtain Secretarial Acquisition Executive ESAAB Review/Approval of CD-0. After briefing Senior Management and completing the Pre-ESAAB meeting:

a. The Program Office works with the Pre-ESAAB board members to resolve issues and answer inquiries prior to the Secretarial Acquisition Executive ESAAB meeting.
b. When inquiries and issues are resolved to the extent possible and the briefing is finalized, the Program Associate Director forwards the finalized presentation via e-mail to the ESAAB Secretariat and requests the Secretarial Acquisition Executive ESAAB meeting for CD-0 be scheduled. Include the following individuals in the distribution:
   o Deputy Assistant Secretary, Office of Project Management (EM-10)
   o Program Manager
   o All others deemed appropriate by the Program Office

c. The OECM confirms the Program's readiness to continue with the Secretarial Acquisition Executive ESAAB meeting.
d. The ESAAB Secretariat contacts the Program Office with the Secretarial Acquisition Executive's next available meeting date, which is normally within two-to-three weeks of the request.
e. Prior to the ESAAB meeting, the Program Office will:

   o Determine who will make the CD-0 presentation at the ESAAB meeting (the presentation is usually given by the Under Secretary, the Director/Principal Deputy Director, or in some cases the Program Office Associate Director).
   o Determine the individuals who will participate in the Secretarial Acquisition Executive ESAAB meeting (usually limited to five seats).
   o Advise Office of Project Management of the date of the |

ESAAB meeting.
- o Provide OECM with 20 color copies and 10 black and white copies of the final presentation at least one-half hour prior to the ESAAB meeting.
- o Provide a laptop computer (for use with the LCD projector) and electronic copy of the current presentation at the ESAAB meeting.

f. After the Secretarial Acquisition Executive ESAAB meeting, the Program Office iterates a draft of the approval memorandum with OECM.

NOTE: The Program Office will receive the final approval memorandum from the Deputy Secretary of Energy, within approximately two weeks after the meeting.

Step 7 *Non-Major Systems Projects*	When the Mission Need Statement is approved, the Program Office requests that Office of Project Management schedule an ESAAB Equivalent meeting for CD-0. The approved Mission Need Statement is presented for CD-0 approval to: o The Under Secretary for projects with a TPC between $100-750 million o The PSO for projects with a TPC less than $100 million **NOTE:** This request should be placed at least two weeks before the anticipated ESAAB Equivalent meeting date.
Step 8 *Non-Major Systems Projects*	The Program Manager prepares a CD-0 briefing package for use at the ESAAB Equivalent meeting and forwards it to Office of Project Management at least one week prior to the scheduled meeting. The ESAAB Equivalent Board members will have at least this one week to review the Mission Need Statement and CD-0 briefing package and to provide preliminary comments or issues to the Program Office. **NOTE:** A separate CD-0 approval document is not normally prepared for a Non-Major Systems projects with a (TPC less than $750 million)—the Mission Need Statement is considered to be the official CD-0 approval document (with the addition of an ESAAB Equivalent Board recommendation/approval page).
Step 9 *Non-Major Systems Projects*	Conduct the ESAAB Equivalent Meeting: a. The Program Associate Director presents the CD-0 request for approval to the ESAAB Equivalent Board. For projects less than

	$20 million, the Program Manager presents the CD-0 request.
	b. The ESAAB Equivalent Board has the opportunity to ask questions, raise concerns, and make a recommendation for approval to the Acquisition Executive.
	c. Based on these recommendations, the Acquisition Executive either approves the CD-0 request or defers approval until questions and/or issues are resolved.
	d. Office of Project Management prepares and distributes minutes of the ESAAB Equivalent meeting.
	NOTE: Attendance at the ESAAB Equivalent meeting is limited to the Under Secretary, the Director/Principal Deputy Director, the ESAAB Board, the Program Office, Office of Project Management staff, and an OECM staff member. Contractors and Laboratory Staff are not permitted to participate in the ESAAB meeting.
Step 10	The Program Office begins reporting the project status, monthly, using the Project Assessment and Reporting System (PARS). (Refer to the Project Reporting Subject Area.)
Step 11	The Acquisition Executive begins conducting Quarterly Project Performance Reviews. (Refer to the Project Reporting Subject Area.)

3.0 References

- DOE G 413.3-17, *Mission Need Statement*
- ESAAB Procedure
- Mission Need Statement Example
- Office of Engineering and Construction Management (OECM)
- Project Assessment and Reporting System
- *Project Reporting* Subject Area
- DOE G 413.3-9 Project Review Guide for Capital Asset Projects
- DOE G 413.3-12 Project Definition Rating Index Guide for Traditional Nuclear and Non-Nuclear Construction Projects
- DOE EMCBC Service Plan